

**LEGISLATIVE SERVICES AGENCY  
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**FISCAL IMPACT STATEMENT**

**LS 7011**

**BILL NUMBER:** HB 1111

**NOTE PREPARED:** Jan 12, 2010

**BILL AMENDED:**

**SUBJECT:** Merchant Marine.

**FIRST AUTHOR:** Rep. Barnes

**FIRST SPONSOR:**

**BILL STATUS:** CR Adopted - 1<sup>st</sup> House

**FUNDS AFFECTED:** X GENERAL  
X DEDICATED  
X FEDERAL

**IMPACT:** State

**Summary of Legislation:** This bill provides that a Merchant Marine is considered a member of the Armed Forces for purposes of hiring preferences for state employment.

The bill makes changes to the definition of "Armed Forces" to include service in the Merchant Marine for matters relating to the Bureau of Motor Vehicles (BMV).

The bill authorizes the Indiana Department of Veterans' Affairs to aid and assist Merchant Marines entitled to benefits by the United States, the state, or another state or government. The bill also authorizes the Indiana Veterans' Home to admit as members: (1) certain individuals who served in the Merchant Marine; or (2) the spouse or surviving spouse of certain individuals who served in the Merchant Marine.

The bill provides that a Merchant Marine is considered a member of the Armed Forces for purposes of hiring preferences for (1) a city police, (2) a city fire department, (3) a county sheriff's department, and (4) a township fire department.

**Effective Date:** July 1, 2010.

**Explanation of State Expenditures:** This bill expands the eligibility for entry into the Indiana Veterans' Home. Under the bill, the following disabled or destitute individuals of the Merchant Marine will be eligible for admission to the Indiana Veterans' Home:

- (1) An honorably discharged member of the armed forces,
- (2) the spouse of an honorably discharged member of the armed forces, or
- (3) the surviving spouse of an honorably discharged member of the armed forces,

if either the qualifying applicant has been a resident of Indiana for at least three years prior to application for admission to the home. This bill may increase the number of individuals who are admitted to the Indiana Veterans' Home. Actual increases are indeterminable.

If the Indiana Department of Veterans' Affairs (IDVA) admits more individuals to the Indiana Veterans' Home under the expanded eligibility criteria, any increase in expenditures will be funded from Medicaid and the federal Veterans' Administration.

According to the U.S. Department of Defense, there are a total of 9 former or retired Merchant Marines that claim Indiana as their state of residence and a total of 306 former or retired Merchant Marines that do not claim a state or residence. It is not known how many of these individuals would meet residency requirements for entry into the Indiana Veterans' Home or how many spouses or surviving spouses may be eligible.

**Explanation of State Revenues:** Under the bill, more Merchant Marines would be considered veterans and therefore eligible to purchase either a Disabled American Veteran Plate or a Hoosier Veteran Plate, depending on further qualifications. If there is an increase in the number of Hoosier Veteran Plates sold, there will be an increase in revenue deposited in the Military Family Relief Fund (MFRF). For every Hoosier Veteran Plate sold, \$15 is deposited into the MFRF. If the nine discernable former or retired Merchant Marines that reside in Indiana purchase a Hoosier Veteran Plate during FY 2011, revenue to the MFRF can be expected to increase by \$135.

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** BMV, IDVA.

**Local Agencies Affected:**

**Information Sources:** BMV; Tom Applegate, IDVA; U.S. Department of Defense.

**Fiscal Analyst:** Bill Brumbach, 232-9559.